

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814  
(916) 323-0285



July 28, 1983

ALL-COUNTY LETTER NO. 83-69

TO: ALL COUNTY WELFARE DIRECTORS  
ALL COUNTY FOOD STAMP PROGRAM COORDINATORS  
ALL COUNTY FISCAL OFFICERS

SUBJECT: FNS-46 (ATP RECONCILIATION REPORT) LIABILITIES

REFERENCE:

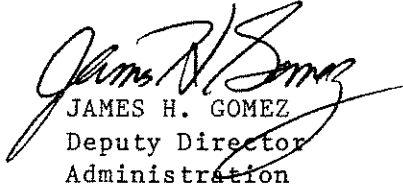
The Food and Nutrition Service (FNS) has notified this Department that FNS-46 (ATP Reconciliation Report) liability billings will be submitted to this Department in the near future. It is anticipated that the liabilities will be assessed back to February 1981, the month in which the FNS-46 was first implemented.

As soon as this Department receives the FNS-46 billings, they will be forwarded to the responsible county for reconciliation. Any county that receives an FNS-46 billing will have 30 calendar days to reconcile the liability amount and, if necessary, must submit written justification of a differing amount to this Department. If this Department does not receive written justification of an amount which differs from the assessed liabilities within this period, it will be presumed that the FNS billed liabilities are correct and the county advances will be adjusted by the billed amount. All adjustments to county Food Stamp Program administrative advances will be identified on the Form AA 190. Disputed liabilities will be forwarded to FNS for disposition.

To expedite the reconciliation process and also prevent unwarranted FNS-46 liabilities, counties are instructed to review the attached FNS-46 completion instructions to ensure that all submitted FNS-46 reports have been or will be prepared correctly. Since there was confusion regarding FNS-46 instructions during implementation of the FNS-46 report, counties should especially review FNS-46 reports submitted for calendar year 1981 for errors. If you discover that your reports were incorrectly prepared, revised reports must be prepared

and submitted to this Department. If your revised reports are submitted to this Department on a timely basis, it is very likely that the FNS-46 liabilities submitted to this Department will reflect the revisions.

Thank you for your continued cooperation. If you have any further questions, please contact Mr. Leighton Lai at (916) 323-0285.



JAMES H. GOMEZ  
Deputy Director  
Administration

Attachment

cc: CWDA

## INSTRUCTIONS

FNS-46 Reconciliation Report**I. Purpose**

The FNS-46 report records the reconciliation of ATP cards transacted each month against the HIR Master File. The report identifies valid and invalid ATP transactions for each reconciliation point. The report also records the number and value of replacement ATP cards transacted.

**II. Scope**

Each county agency operating an ATP issuance system is required to report monthly on the FNS-46. The report is prepared at the county where the reconciliation of transacted ATP cards to the HIR Master File actually takes place.

**III. Submission**

Two copies of the FNS-46 report are submitted each month to the State Department of Social Services (SDSS), 60 days after the end of the report month. The report is to be submitted monthly even if there are no unmatched ATP cards for that month.

**IV. Instructions**

Following are instructions for completing each line item on the FNS-46 form:

**Item 1: Project Code**

All California counties must enter their county codes.

**Item 2: Report for**

Indicate month and year for the reporting month.

**Item 3: Reorder of Form**

Check this item only if additional FNS-46 forms are required.

**Item 4: Reconciliation Point**

Indicate the full name and address of the reconciliation point.

**Item 5: Project Areas and Issuance Agents**

- a. PAs: Indicate the number of project areas for which this point performs ATP reconciliation. Each county represents one project area, therefore, each county should record 1 in this space.
- b. IAs: Indicate the number of issuance agents for which this point performs reconciliation.

Item 6: Type

Check only one box (note that the third box should be deleted).

Item 7A: Sections Containing Correction

Complete this section only for revised FNS-46 reports. Indicate the section of the report that has been corrected.

Item 7B: Number of Revised Reports

Indicate the number of revised reports submitted to SDSS for the report month.

Item 8: Total Transacted ATPs

Indicate the number and value of all ATP cards transacted in the report month including replacements, unmatched, invalid, etc.

Item 9: Total Replacement ATPs Transacted

Indicate the number and value of all transacted ATP cards that were issued to replace an original ATP card, regardless of whether the original ATP has been redeemed.

Item 10: Total Unmatched ATPs

Indicate the number and value of all transacted ATP cards that do not match the authorized issuances of the HIR Master File (M.S. 63-602.23 and 63-706.1). This may include valid issuances that do not match against the Master File due to lack of, or incorrect computer input for manual ATPs, late Master File update, etc.

If your county identifies both original and replacement ATP as authorized on the HIR Master File it will result in both ATPs considered matched as per above definition. For FNS-46 reporting purposes the transaction of the original and replacement ATP, or duplicate ATPs are considered unmatched and must be recorded within this line. The amount indicated should equal the value of the original ATP that was transacted.

The entries in Item 10 should equal the sum of Items 15 and 20.

Item 11: Blank ATPs Lost or Stolen

Indicate the number and value of any transacted cards stolen or lost from the state agency. List only those ATPs that were transacted.

Item 12: Expired ATPs

Indicate the number and value of any ATPs transacted after the validity period.

**Item 13: Out-of-State ATPs**

- a. Indicate the number and value of any transacted ATP cards that were issued by another state.
- b. Transacted out-of-county cards should ~~not~~ be recorded on Item 13. Out-of-county ATPs that do not match against the Master File should be listed as unmatched in Item 10 and accounted for under "other" on Items 19 and 21. The number and value of any transacted out-of-county ATPs should be listed as such in Item 21. Such issuances are considered unauthorized unless full reconciliation of the transacted out-of-county ATPs is performed against the Master File of the issuing county and reported as valid issuances under Item 21 on the FNS-46 form of the county that transacted the ATPs.

**Item 14: Duplicate ATP Transactions Caused by State Agency Error**

- a. Entries on this line should be instances where households receive and redeem more ATPs than they are entitled to, due to county administrative error. (With the exception of number 2 below, Line 14 is not used to record the occurrence of households reporting ATPs that are lost and subsequently redeemed.) The most common situations that fall under this category are:
  - 1) Households that receive an ATP as a nonassistance household and another ATP as a public assistance household (simultaneous participation); households that receive a machine-generated ATP and a hand-issued ATP for the same month; and, households that receive duplicate ATPs because of computer malfunction.
  - 2) For counties that are required to use photo ID cards, the number and value of all improperly transacted ATP cards which would not have been transacted had the issuer complied with the photo ID requirements (or requirements substituted by a valid FNS waiver) are to be identified on Line 14.

To be in compliance with photo ID requirements, the coupon issuer must:

- a) require that any person presenting an ATP card for redemption be the party named on the ATP (or an authorized representative of the household) through the presentation and verification with an authorized photo ID card; and,
- b) annotate the number appearing on the authorized photo ID card onto the ATP card prior to transaction.

Duplicate issuances not caused by county error, which result in the original and replacement ATPs being transacted are to be reported on Line 16.

- b. Record only the value of the erroneously issued transacted ATP.

Item 15: Total

The total number and value of ATP cards in Section II should equal the sum of Lines 11, 12, 13, and 14.

Item 16: Duplicate ATP Transactions In Which Both Original and Replacement ATPs Were Redeemed

- a. Indicate the number and value of duplicate transactions occurring when a recipient requests and receives a replacement ATP and both the original and replacement are transacted.
- b. Record only the value of the original transacted ATP.

Item 17: Counterfeit ATPs

Indicate the number and value of any unmatched issuances resulting from counterfeit ATP cards.

Item 18: Altered ATPs

Indicate the number and value of ATP cards that do not match the MIR Master File due to alteration.

Item 19: Other (See Item 21)

- a. Line 19 of the FNS-46 report provides a space to account for unmatched ATPs that do not fall under any of the other categories in Sections II and III. Entries on Line 19 may include both liabilities or nonliabilities. Line 21 should be used to clearly state the circumstances surrounding unmatched ATPs in Line 19 so that a determination can be made as to liability.

As a general rule of thumb, the types of entries that would generate county agency liability on Line 19 would be any error in the amount of the ATP that occurred beyond what would be considered a certification function. We realize there are some gray areas with regard to what is considered to be an error caused by certification or issuance. Thus, the above statement should be taken only generally and care should be taken in making judgments in this area. If you have any situations of which you are unsure, please feel free to clear them through your SDSS fiscal consultant.

Line 19 may contain over and underissuances; the two must be separated out in Line 21 as only overissuances will generate liability. For example:

X County has identified two unmatched ATPs which do not fall under any specific category listed in Sections II or III. The total number and amount of these ATPs must be entered on Line 19, Other. The first ATP, due to a typographical error was issued for \$160.00 instead of the correct amount of \$140.00 (\$20.00 overissuance). The second ATP was issued for \$170.00 instead of the correct amount of \$180.00 (\$10.00 underissuance).

Line 19 should read:

- \* Number of ATPs: 2
- \* Value of ATPs: \$330.00

Line 21 should explain:

- \* 1 ATP overissuance \$20.00 (County error)
- \* 1 ATP overissuance \$10.00

Since the overissuance resulted from a county administrative error, the county would be liable for \$20.00. It is important to indicate separately those overissuances due to county error and those due to client error.

If, at the time of submission of the FNS-46 report, there are unmatched ATP cards that have not been accounted for and categories in any category of this report, they should be reported on Line 19 and identified on Line 21 as 'Not yet accounted for'.

The report may not be considered final until the ATPs that were not accounted for are identified as valid for invalid transactions. A revised FNS-46 report must be submitted with the formerly unaccounted for ATPs either:

- 1) placed in another appropriate line item;
- 2) remaining on Line 19, but categorized on Line 21; or
- 3) deleted from Line 19 of the report and identified as valid on Line 21.

- b. The total for Line 19 should be equal to the total on Line 10 minus the sum of Lines 15, 16, 17, and 18.

Item 20: Total

- a. The total for Line 20 should equal the sum of Lines 16, 17, 18, and 19.
- b. The sum of Lines 15 and 20 should equal the totals on Line 10.

Item 21: Explanation of Other (Item 19)

Use this section to identify by category the number and value of all ATP cards listed on Line 19 as unmatched. All ATP cards listed on Line 19 must be accounted for by category in this section. Following are some of the types of categories of unmatched ATP cards that would be reported on Line 19:

ATP cards issued after the end of the certification period:

An ADP edit check failed to terminate a household at the end of the certification period and an ATP was sent to the household without a recertification being performed.

ATPs do not match HIR Master File data (a) Is not recorded in any other category in Sections II and III.

An ATP card was typed incorrectly from the authorizing document; or, under and overissuances resulted from keypunch errors in inputting information from an authorizing document. The separate amount of under and overissuances must be identified under this category.

Untimely processing of changes:

Authorizing documents were submitted in time to effect a change in the eligibility or basis of issuance, but due to various circumstances the change was not made for the month the change was to be effected.

Unmatched ATP due to edit:

Under and overissuances which result from the temporary failure of an edit check. The separate amounts of under and overissuances must be identified under this category.

Use of incorrect computer issuance document:

Under or overissuances which result from the use of an incorrect computer document, e.g., a tape from a prior month.

**V. Completing ATP Reconciliation**

The following procedures are to be applied after submission of the initial FNS-46 form for the report month.

- a. Counties must continue to research and identify all unmatched ATP cards reported on Line 19 of the initial report. The monthly report may be considered as final only when all ATPs reported on Line 19 and categorized on Line 21 have been received and identified as valid or invalid transactions (see instruction for Item 14).
- b. ATP transactions which are found to be valid should be identified and reported as "valid transactions" under Line 21. Any ATP cards which are determined to match the authorized listing in the Master File should be deleted from Lines 10, 19, and 20, as appropriate.
- c. Any changes to the reconciliation report should be made on a revised FNS-46 and submitted to SDSS.